



Table of Contents

Section 7.0 Workforce Housing Element	7-1
Section 7.1 Legislative & Regulatory Background.....	7-1
Section 7.2 Vision, Overarching Goals & Guiding Principles.....	7-2
Section 7.2.1 Overarching Goal & Workforce Housing Vision	7-2
Section 7.2.2 Workforce Housing Guiding Principles	7-2
Section 7.3 Influence of Regional Housing Market.....	7-3
Section 7.4 Workforce Housing Needs	7-3
Section 7.4.1 Summary of Housing Supply and Demand.....	7-7
Section 7.5 Workforce Housing Policies, Programs and Regulations	7-9
Section 7.5.1 Inclusionary Housing Program	7-9
Section 7.5.2 Critical Workforce Housing Program.....	7-9
Section 7.5.3 Critical Workforce – Neighborhood Conservation Initiative (NCI).....	7-10
Section 7.5.4 Special Loan Programs	7-10
Section 7.5.5 Housing Authority	7-11
Section 7.6 Community Issues, Obstacles & Opportunities to Workforce Housing	7-12
Section 7.7 Sustainability Indicators & Recommended Evaluation	7-13
Section 7.8 Goals, Objectives and Recommendations.....	7-14
Goal 1: Provide Affordable Workforce Housing Supply	7-14

Tables and Figures

Table 7-1: Projected Number of Owners and Renters (2005-2015)	7-5
Table 7-2: Projected Number of Owners and Renters by Housing Type (2005-2015)	7-5
Table 7-3: Projected Number of Owner and Rental Units with Affordable Mortgage Limits.....	7-6
Table 7-4: Regional Comparison of Average Housing Sales Price 2002-2008.....	7-7
Table 7-5: 2008 Comparison of Cost of Living	7-7
Table 7-6: Summary of Loans Administered 2004-2009.....	7-10
Table 7-7: Publicly Owned Affordable Housing Stock.....	7-11



Section 7.0 Workforce Housing Element

This Plan Element identifies key issues with respect to workforce housing. The basic need for a place to call home is best met by communities where citizens can comfortably live, work and play. The County's 2006 Housing Study prepared by the Louis Berger Group, Inc., is a reference document to this Element and contains a full assessment of all types of the County's housing needs. While this is the latest data and analysis available to use for the basis of this Element, economic conditions have changed which may impact the statistics presented therein.

Sustainable communities include a balanced relationship between jobs and housing as well as offering housing options that meet the needs of a full range of household incomes. Housing is considered an asset for those whom reside within the dwelling, as well as an asset to the community. A key issue of sustainability for the County is that new housing construction trends and patterns across both the State and County have resulted in a shortage of affordable housing.

- Federal guidelines define **affordability** in the context of household income, such that housing is deemed affordable when households spend no more than 30 percent of its annual income on housing. Families who pay more than 30 percent of their income for housing are considered "cost burdened" and may have difficulty affording basic necessities such as food, clothing, transportation and medical care.
- Federal guidelines define **workforce housing** as housing that is affordable to households earning incomes within the range of 60 to 120 percent of the area's median household income. Workforce housing includes single-family homes, townhouses, condominiums, starter homes and apartments affordable to the community's workers.

Section 7.1 Legislative & Regulatory Background

In April 2006, the Maryland General Assembly passed HB 1160 establishing a Workforce Housing Grant Program within the Maryland Department of Housing and Community Development for the development costs of workforce housing. In order for local governments to be qualified to participate in the program, a Workforce Housing Element must be developed and adopted by the jurisdiction as either part of a Consolidated Plan approved by the Department of Housing and Urban Development (HUD) or as part of a Comprehensive Plan.

Article 66B Visions

1. *Quality of Life*
2. *Public Participation*
3. *Growth Areas*
4. *Community Design*
5. *Infrastructure*
6. *Transportation*

7. Housing

8. *Economic Development*
9. *Environmental Protection*
10. *Resource Conservation*
11. *Stewardship*
12. *Implementation*



In accordance with HUD requirements, a Consolidated Plan is a document prepared by the State or local government that describes the housing needs of low and moderate-income residents, outlines strategies to meet the needs and lists all resources available to implement the strategies. This Plan is required for Entitlement Communities in order to receive HUD (the United States Department of Housing and Urban Development) Community Planning and Development funds. However, since Queen Anne's County is not an Entitlement Community as defined by HUD, the County receives Federal funding through the State as determined by HUD. Based upon this method of receiving Federal funding, the County is required to submit information with respect to use of HUD program funding to the State for planning and reporting purposes. In accordance with HB 1160 requirements, workforce housing is being addressed as an Element of this Comprehensive Plan.

Section 7.2 Vision, Overarching Goals & Guiding Principles

The housing vision of Article 66B seeks to achieve a diversity of housing options, which includes workforce housing. This key vision creates the framework for the provision of sufficient workforce housing along with a full range of housing options that meet the needs of all citizens. This vision is supplemented by requirements identified in HB 1160 with emphasis on adequately providing local affordable workforce housing. Article 66B defines the vision for housing as:

Housing – A range of housing densities, types and sizes providing residential options for citizens of all ages and incomes.

Section 7.2.1 Overarching Goal & Workforce Housing Vision

The Overarching Goal for the Workforce Housing Element is to encourage the increased supply of workforce housing to sustain the economic vitality of Queen Anne's County.

*The **VISION** is that Queen Anne's County consist of sustainable neighborhoods that are collectively economically diverse, provide living arrangement options and housing opportunities for all income levels and age, with access to a variety of goods, services, transportation options, employment, public and private facilities, amenities and services.*

Section 7.2.2 Workforce Housing Guiding Principles

The following guiding principles provide the broad philosophy describing the context for the County to provide workforce housing.

- ❶ **Affordability** – Promote an inventory of rental and for-sale housing that is obtainable to households whose income is between 60 percent and 120 percent of the County's median income.
- ❷ **Preservation of Existing Housing Stock** – Preserve and maintain the existing affordable workforce housing stock.



- ③**Size and Location** – Infill sites within existing traditional neighborhoods and expansion of traditional neighborhoods should be emphasized. Locations should provide easy access to goods, services, and a variety of community facilities including pedestrian facilities.
- ④**Design** – New development, redevelopment or adaptive reuse projects providing workforce housing should promote principles of good design such as:
- Pedestrian friendly site planning.
 - Contextual design compatible with existing neighborhood characteristics.
 - Density that maintains compatibility with streetscape and neighborhood scale.
- ⑤**Energy Efficiency** – Incorporate innovative and energy efficient approaches to building construction and land development.

Section 7.3 Influence of Regional Housing Market

Regional housing markets today have priced out many low- and moderate-income families, and development in the County has produced few affordable workforce housing units. Housing production failed to keep pace with job growth within the greater region (Baltimore and Washington, D.C. Metropolitan Statistical Areas), making housing costs less affordable. The local and regional housing market coupled with aspirations to achieve a higher quality of life and access to jobs within the region make Queen Anne's County an attractive place to live.

Lack of housing diversity and affordability affects the commuting patterns as well as business growth in the County. A County survey conducted in 2004 reflected that 35 percent of people employed at jobs in Queen Anne's County commute from other jurisdictions. An imbalanced relationship between jobs and housing diversity also affects the ability for local businesses to attract new talent, as well as the ability to attract new businesses and employers to our Towns and Planning Areas that could contribute to lowering the degree of commuting into and out of the County and its associated traffic congestion.

The aforementioned 2006 Housing Study focused on housing demand trends, housing inventories, housing affordability, future housing needs and affordability, assets and resources, needs and challenges, and actions including identification of affordable housing strategies. The 2006 Housing Study analyzed local and regional demographics and influencing factors related to affordable workforce housing and supports recent research associated with meeting the County's needs for affordable workforce housing and recommendations contained in this Element.

Section 7.4 Workforce Housing Needs

One of the most critical issues facing the County and surrounding region is the dwindling supply of housing that is affordable to moderate-income workers. Increasingly, housing costs in the region are exceeding the financial reach of many low-to-moderate wage earners, such as service-sector employees, government employees, entry-level staff and essential health personnel, as well as teachers, police and other emergency responders.

According to the Queen Anne's County Department of Housing and Community Services, there is considerable demand for dwelling units affordable to the County's workforce and the availability of such units is limited. A few trends that provide an indication of household preferences identified in the County's 2006 Housing Study, and the Trends and Indicators Report, 2010, are reflected in the following list. As previously stated, while the most recent data and analysis available to use for the basis of this Element is presented within, economic conditions have changed since the information was generated.



7.0 Workforce Housing

More current data, such as the results of the 2010 U.S. Census when completed, may alter the statistics presented.

- Housing trends from 1990 to 2008 indicate the preference for single-family housing overwhelmingly exceeds those for multi-family dwellings and mobile homes.
- Housing projections to 2015 suggest this strong preference for single-family dwellings will continue with projections indicating that:
 - 76 percent of the County's population will reside in owner occupied housing, with 90 percent of whom will be in single-family dwellings; and
 - 24 percent of the population will be renters, of which 53 percent will reside in single family dwellings.
- Housing projections to 2015 suggest a lack of one bedroom apartments and apartments in general with the following specific projections:
 - A 9% increase in households renting homes.
 - Approximately 9% of the County's total housing stock will be multi-family dwellings such as apartments and condominiums.
- When comparing County trends to State and national housing and income trends, Queen Anne's County has fewer options in regards to rental dwelling units (single-family dwellings, townhouses and apartments).
- In 2000, nearly 26 percent of renter households were "cost-burdened." As in many communities, "cost-burdened" homeowners and renters spending 30 percent or more of their income on the cost of housing is most prevalent in lower to moderate income households (household incomes less than \$50,000).
- In 2000, approximately 19 percent of homeowners were "cost-burdened."
- Between 2002 and 2008, median residential sales values in the County increased 64.3 percent (from \$265,426 to \$436,219).
- In 2007, the average sales price of single-family homes ranged between \$370,000 and \$386,658 and in 2008 the average sales price was \$436,219.
- Average homes sales prices exceed the range for the 2008 median household income of \$81,400.
 - Households earning \$81,400 are generally able to afford up to a \$324,411 home.
 - Households earning 80 percent of median household income (i.e. \$65,120) are generally able to afford up to a \$259,530 home.
- The 2006 Housing Study projections for homeowners and renters in comparison to household incomes suggest a shortage of dwelling units priced appropriately for low-to-moderate income households and the County's workforce. The 2006 Housing Study indicated that:
 - The housing industry cannot produce a new house at a cost that is affordable to a significant portion of the citizenry.
 - There is a widening gap between median sales prices of homes and median household incomes resulting in shortages of affordable workforce housing.



7.0 Workforce Housing

Housing Projections	Associated Facts
Countywide, 490 households at the moderate income level were projected to be “cost-burdened” by 2015.	The County’s housing inventory within moderate affordability ranges is concentrated in the Towns.
Countywide, projections indicated that by 2015 there may be 4,800 low-income households and 1,410 of those low-income households will be “cost-burdened.”	There are 4,000 dwelling units in the County’s housing inventory at or below affordability ranges for low-income households.
Countywide, the 2015 projections indicate there may be 2,500 very low-income households with 1,770 of those very low-income households “cost-burdened.”	There are 763 dwelling units in the County’s housing inventory projected at or below affordability ranges for very low-income households.

Source: Queen Anne’s County Housing Study, 2006

The following tables (Tables 7-1, 7-2 and 7-3) substantiate trends associated with workforce housing needs identified on the previous page.

Table 7-1: Projected Number of Owners and Renters (2005 - 2015)

Projected Year	Owners	Renters	Total	Change over 5 Years	Annual Renter Increase	Annual Owner Increase	Total Annual Increase
2005	13,211	4,187	17,398	-	-	-	-
2010	14,626	4,636	19,261	1,864	90	283	373
2015	15,959	5,058	21,017	1,756	85	267	351

Source: Queen Anne’s County Housing Study, 2006

(Table 5-4 page 5-5)

Table 7-2: Projected Number of Owners and Renters by Housing Type (2005 - 2015)

Housing Type	2005		2010		2015	
	Owner	Non-Owner	Owner	Non-Owner	Owner	Non-Owner
Single Family	11,863	2,223	13,134	2,462	14,331	2,686
Townhouse	779	301	863	334	942	364
Mobile Home	396	234	439	260	479	283
Condominium	172	96	190	107	207	116
Boat Slip	-	113	-	125	-	137
Rental Dwelling	-	1,218	-	1,349	-	1,472
Total	13,211	4,187	14,626	4,636	15,959	5,058

Source: Queen Anne’s County Housing Study, 2006

(Table 5-7 page 5-9)



7.0 Workforce Housing

Table 7-3: Projected Number of Owner and Rental Units with Affordable Mortgage Limits

	Annual Household Income	2005		2010		2015		Average Mortgage Limits
		Owners	Renters	Owners	Renters	Owners	Renters	
Low-Moderate Income Housing	Less than \$11,900	535	545	592	603	646	658	up to \$47,481
	\$11,900 to \$23,799	1,101	874	1,219	967	1,330	1,056	\$47,481 - \$94,958
	\$23,800 to \$35,699	1,251	790	1,385	875	1,511	955	\$94,962 - \$142,439
	\$35,700 to \$47,599	1,651	680	1,828	753	1,995	822	\$142,443 - \$189,920
Workforce Housing	\$47,600 to \$59,499	1,527	314	1,690	348	1,844	380	\$189,924 - \$237,401
	\$59,500 to \$71,399	1,277	392	1,414	434	1,542	474	\$237,405 - \$284,882
	\$71,400 to \$89,299	1,887	247	2,089	274	2,280	299	\$284,886 - \$356,303
	\$89,300 to \$119,099	2,095	204	2,319	226	2,531	246	\$356,307 - \$475,205
Middle - Upper Income Households	\$119,100 to \$148,799	947	70	1,049	78	1,144	85	\$475,209 - \$593,708
	\$148,800 to \$178,599	434	17	481	19	525	20	\$593,712 - \$712,610
	\$178,600 or more	505	53	560	59	611	64	\$712,614+
Total		13,211	4,187	14,626	4,636	15,959	5,058	

Note: Calculation of Average Mortgage Limits is based upon the annual household income range multiplied by 3.99 to determine average mortgage limits. Generally, a mortgage lender will lend you between three and four times your gross salary.

Source: Queen Anne's County Housing Study, 2006 (Table 5-5 page 5-7) augmented with average mortgage calculations based upon affordability of average housing sales prices.



Section 7.4.1 Summary of Housing Supply and Demand

Housing in Queen Anne's County is among the highest priced of counties in Maryland. Indicators suggest there is a shortage of "workforce housing." A housing market out of reach of the average household has interrelationships with a number of influencing factors studied in the Queen Anne's County Housing Study, 2006. Table 7-4 illustrates the average home sale prices for Queen Anne's County and neighboring Counties. Queen Anne's County home sale prices increased \$170,793 from 2002 to 2008, a 64.3 percent increase.

Table 7-4: Regional Comparison of Average Housing Sales Price 2002-2008

Queen Anne's County and Neighboring Counties Average House Sales Price							
County	2002	2004	2006	2008	Rank	Percent Increase	Rank
Caroline	\$130,279	\$197,171	\$258,464	\$216,810	7	66.4%	4
Cecil	\$178,170	\$236,351	\$290,845	\$262,113	6	47.1%	8
Dorchester	\$133,328	\$205,863	\$252,987	\$279,622	5	109.7%	1
Kent	\$200,946	\$289,420	\$380,744	\$395,334	3	96.7%	2
Queen Anne's	\$265,426	\$377,900	\$453,103	\$436,219	2	64.3%	5
Somerset	\$110,849	\$129,636	\$205,892	\$161,335	9	45.5%	9
Talbot	\$363,669	\$514,885	\$634,377	\$634,377	1	74.4%	3
Wicomico	\$130,779	\$172,238	\$208,400	\$208,400	8	59.4%	7
Worcester	\$230,220	\$346,031	\$374,456	\$374,456	4	62.7%	6
Maryland	\$194,180	\$269,305	\$374,456	\$341,116		75.7%	

Source: MD Association of Realtors, 2008

Cost of living is the cost of maintaining a certain standard of living. Changes in the cost of living over time are often analyzed in a cost of living index. Cost of living calculations are also used to compare the cost of maintaining a certain standard of living in different geographic areas. Queen Anne's County has a cost of living index of 100.8, and has nearly the highest cost of living on Maryland's Eastern Shore second to Cecil County at 101.1.

Table 7-5: 2008 Comparison of Cost of Living

2008 Comparison of Cost of Living	
County	Cost of Living Index
Caroline County	85.1
Cecil County	101.1
Dorchester County	84.9
Kent County	88.5
Queen Anne's County	100.8
Somerset County	84.2
Talbot County	92.1
Wicomico County	84.9
Worcester County	89.7

Source: City Data, 2008



The following summarizes key conclusions with respect to housing demand, supply and affordability identified in the 2006 Housing Study. (Refer to 2006 Housing Study for supporting data.)

Housing Demand Conclusions from Queen Anne's County 2006 Housing Study

- **Age Distribution Trends and Patterns** – The County does not currently attract significant numbers of young families. This trend has been compounded by a shortage in the supply of rental units or homes that are affordable to low to moderate income families.
- **Age Distribution of Household Head** – The County has found a niche as a retirement destination, which accounts, in part, for an increase in people in the range of 55-64 years of age. The County has fewer heads of households in the 25-34 age range, supporting the observation that younger adults are choosing to live outside of the County.
- **Household Income Distribution Suggest Need for Range of Housing Types** – Income disparities are evident even as the County's demographic composition has grown and changed. There are many households in the County that spend over 30% of their household income on housing. Realizing this, there is a need to provide more affordably priced owner and rental dwelling units. Not only is the number of "cost burdened" households an issue, but also the limited range in diversity in terms of housing styles and sizes is an issue as well.
- **Labor Market Commuting** – As of the 2000 Census, nearly 60 percent of the County's resident labor force commuted to places of employment outside the County, while 35 percent of people employed at jobs located in Queen Anne's County live in other jurisdictions. A more diverse housing stock that also includes "workforce" housing will provide opportunities to live and work in the County, and also has the potential to alter commuting patterns. A full range of housing options provides housing choices and opportunities for the resident labor pool. A readily available local workforce is essential in attracting new business ventures and investment opportunities in the County's employment centers.

Housing Supply (Inventory) Conclusions from Queen Anne's County 2006 Housing Study

- **Increases in Single-Family Housing Stock** – Trends suggest the predominant housing types are single-family dwellings.
- **Renter-Occupied Housing Stock** – There is a rental housing gap in the County. Of the available rental units, there is a limited supply of studio and 1 and 2 bedroom units.

Housing Affordability and Cost Burdened Households Conclusions from Queen Anne's County 2006 Housing Study

- **Costs of Housing** – The housing industry cannot produce a new house at a cost that is affordable to major portions of its citizenry. Housing costs include land, architects and engineers, borrowing costs, fees and permits, labor, materials, insurance, taxes, marketing, brokerage fees and other costs. The cost of government regulations must also be added (e.g. land development regulation compliance, minimum lot size and conservation, etc.). In 2004, the average construction cost alone was \$172,800, the second highest in the region and ninth in the State. (Source: Queen Anne's County 2006 Housing Study, Executive Summary, page 3)



Section 7.5 Workforce Housing Policies, Programs and Regulations

There are a variety of housing policies and programs that are currently administered by the Department of Land Use, Growth Management and the Environment (LGE), the Housing Authority and the Department of Housing and Community Services (refer to 2006 Housing Study). It is this relationship between land use regulations, building codes and housing programs that enable the County to offer opportunities for workforce housing. The following provides a brief description of relevant policies and/or programs.

Section 7.5.1 Inclusionary Housing Program

Inclusionary housing is a housing program typically adopted as part of the zoning ordinance that requires developers to dedicate a certain percentage of new homes to qualifying households at an affordable housing cost for a specified duration of time. The County's inclusionary housing program is the Moderately Priced Dwelling Unit (MPDU) regulations contained in Chapter 18, Zoning and Subdivision Regulations of the County Code (refer to Article XXI Inclusionary Housing, Section 18:1-108).

Following the adoption of the 2002 Comprehensive Plan, updates to Chapter 18 added provisions for MPDUs. Individuals whose household income is 80 percent or less than the average household median income for the Baltimore-Towson Metropolitan Statistical Area (MSA), with adjustments for household size, as reported by the United States Department of Housing and Urban Development (HUD) are eligible to participate in the County's MPDU Program.

The County's MPDU Program is intended to provide affordable new housing to moderate income households. When certain types of new residential developments are proposed at least 10 percent of the units are to be provided at a cost affordable to individuals and families earning 80 percent or less of the median income for the area. The maximum allowable income based upon family size is adjusted annually.

Program Impact: Additional assessments such as condominium fees or homeowner association fees can result in the dwelling exceeding the qualifying mortgage or rent for those seeking MPDU housing. The implementation of this program has yet to realize MPDUs due to the difficulty in certifying applicants that qualify for the program who can also afford the additional community assessments.

Section 7.5.2 Critical Workforce Housing Program

The Department of Housing and Community Services offers a second mortgage financing to homebuyers who meet the Critical Housing Workforce Program guidelines. The purpose of the program is to ensure that the County continues to have an adequate supply of workers in local jobs that are critical to the safety and well being of County residents. The loan cannot exceed 33 percent of the total purchase price or the appraised value of the home and property, whichever is less. At least one of the borrowers must be considered a member of the "**Critical Workforce**" which is defined as the following:

- Teachers employed full time in Queen Anne's County;
- Law enforcement officers, including correctional officers, employed full time in Queen Anne's County by County or Municipal Government;
- Emergency Medical Technicians employed full time in Queen Anne's County;



- An active member of a Queen Anne's County Volunteer Fire Company for the past 12 months, which includes both firefighters and Emergency Medical Technicians, and must be certified by the president of the County Volunteer Chief's Association; and
- Queen Anne's County Emergency Dispatchers.

Program Impact: This program has been offered for nearly six years with the average loan of approximately \$50,000 with a total of \$2,330,000 administered over the duration of the program. The program has been successful to serve the target workforce (*the County's Critical Workforce*). The Community Development Revolving Fund used to support this program has been supplemented by County resources and Community Development Block Grant (CDBG) funds. Table 7-4 summaries the number of loans administered through this program.

Table 7-6: Summary of Loans Administered 2004-2009

	FY 2003/2004	FY 2004/2005	FY 2005/2006	FY 2006/2007	FY 2007/2008	FY 2008/2009	FY 2009/2010*
Number of Loans	6	7	3	9	10	10	3

*Program year not complete.

Source: Queen Anne's County Department of Housing and Community Services

Section 7.5.3 Critical Workforce – Neighborhood Conservation Initiative (NCI)

Neighborhood Conservation Initiative (NCI) funds are part of the Federal and State Neighborhood Stabilization Program pursuant to the Housing and Economic Recovery Act of 2008. These funds are targeted to income-eligible, first-time homebuyers who are members of the critical workforce in Queen Anne's County. Queen Anne's County Department of Housing and Community Services have been authorized to provide zero-percent deferred payment loans, not to exceed the amount of \$50,000 as a second mortgage. In accordance with the State's approval, these loans can be used to purchase homes which have been foreclosed in Stevensville, Grasonville and Church Hill.

Program Impact: Because this is a new program, as of 2009, no loans have been administered.

Section 7.5.4 Special Loan Programs

The Queen Anne's County Department of Housing and Community Services administer a variety of "Special Loan Programs" on behalf of the Maryland Department of Housing and Community Development (DHCD). These programs are designed to provide funding for improvements of existing single family units and rental properties that are available to low and moderate-income families. The funding from these programs are used to rehabilitate properties, increase energy conservation, modify structures to meet special housing needs, lead paint abatement and installation of indoor water and sewer facilities. The programs include:

- Maryland Housing Rehabilitation Program (MHRP)
- Accessory, Shared and Sheltered Housing Program (ACCESS)
- Lead Hazard Reduction Grant Loan Program (LHRGLP)
- Special Targeted Applicant Rehabilitation Program (STAR)



- Indoor Plumbing Program (IPP)

Program Impact: The majority of these loans are typically administered to seniors who are in need of home improvements, rather than critical workforce households. The program is designed to help homeowners remain in their home while necessary improvements and renovations are funded.

Section 7.5.5 Housing Authority

The Housing Authority provides a broad range of housing related services to assist residents of Queen Anne's County to acquire and maintain decent safe and affordable housing. They develop and administer programs which provide and promote affordable rental housing, rental housing assistance, family self-sufficiency and homeownership. Table 7-5 identifies the affordable rental housing stock owned and maintained by the Housing Authority.

Table 7-7: Publicly Owned Affordable Housing Stock

Housing Development	Type	Number of Units/Beds
Scatter Sites	Single Family Homes	12 units
Grasonville Terrace	Senior Housing	33 one-bedroom units
Fisher Manor	Townhouses	24 three-bedroom units 1 four-bedroom unit
Foxxtown	Senior Housing	37 one-bedroom units 3 two-bedroom units
Riverside Estates	Townhouses	23 two-bedroom units
Terrapin Grove	Senior Housing	73 one-bedroom units 12 two-bedroom units 9 one-bedroom cottages
Safe Haven Manor	Assisted Living Facility	16 beds
TOTAL		227 units and 16 beds

Source: Queen Anne's County Housing Authority

Program Impact: The last time the private development community built such types of new rental units was in 1985. The Housing Authority has since built rental units. The Housing Authority owns approximately 50 percent or more of the current rental units that are considered affordable housing across the County. Emphasis is on affordable housing for low-to-moderate income households (a portion of the workforce) and senior housing. Of the total, **48 affordable units** are designated for families with household incomes less than 50 percent of the County's median household income.



Section 7.6 Community Issues, Obstacles & Opportunities to Workforce Housing

The following community issues and obstacles are identified with respect to affordable and workforce housing:

- Shortage of workforce housing units with respect to type, size and location within the County.
 - Increasing home ownership costs and rising rent levels.
 - Limited vacancies (3.7 percent in 2000) and limited variety of types of housing other than single family dwellings (refer to Table 7-2). Note: Data may have changed since the 2000 U.S. Census as a result of more recent economic conditions.
- People employed at local businesses and current residents are seeking housing that is priced within their household income in locations outside of the County and commuting to work within the County.
- The current workforce able to afford housing within the County is commuting outside the County to the adjacent Washington, D.C. and Baltimore region for employment.
- Decreasing availability of affordable housing for the elderly.
- The gap between household incomes and housing prices continues to increase.
- The supply of housing affordable to the County's workforce earning 60 percent to 120 percent of median household income and for recent college graduates is limited.
- Decreasing availability of affordable workforce housing for low-to-moderate income households.
- An insufficient supply of workforce housing has a negative impact on the ability of businesses to expand, new business development and the ability to attract industries to locate within the County.

Opportunities for workforce housing may include:

- The County's Inclusionary Zoning, which is a Moderately Priced Dwelling Unit (MPDU) Program, promotes workforce housing opportunities. The ability for developers to offer a "fee in lieu" instead of constructing MPDUs, with those funds dedicated towards other Housing Programs, may offer more opportunities to provide workforce housing.
- Funding and incentives such as Housing Land Trust Fund, Affordable Housing Tax Credit, and infill development.
- Walkable neighborhoods located within designated Planning Areas and Towns.
- Commercial apartments, which are a dwelling unit located above the first floor of a commercial building, are allowed as a supplemental use in commercial zoning districts. As an incentive, the square footage of commercial apartments is not included in the floor area ratio calculations for a commercial building.
- An accessory apartment is permitted for every single-family lot provided the owner of the principal dwelling resides on the property. However, if the property is not connected to public sewer there is a requirement that the Health Department has approved a separate on-site sewerage disposal area for the additional residential unit.
- Tax Credit Program for housing units priced between subsidized units and market rate units.
- Consideration should be given for reduced impact fees and increased density.
- Partnerships with private and non-profit agencies/organizations to provide affordable housing.
- Streamline development review process.
- Modify the MDPU Program to insure greater success at meeting affordable housing needs.
- Housing costs.

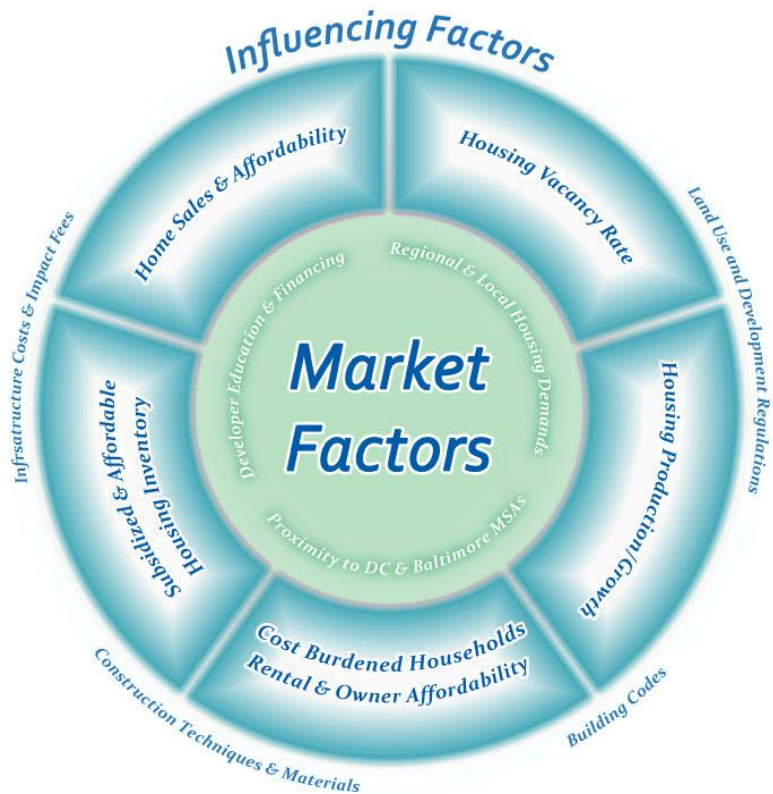
Section 7.7 Sustainability Indicators & Recommended Evaluation

As previously mentioned, housing diversity that provides affordable workforce housing is one of the keys to creating and sustaining healthy, economically vibrant communities. A lack of workforce housing influences opportunities for business development and business expansion.

There are direct relationships between land use, economic development and infrastructure investment that are described through a variety of influencing factors. Such factors include land and development regulations, infrastructure costs, impacts fees, construction techniques, building codes, market demand with respect to the following indicators of sustainability:

- The existence of housing unit diversity and variety.
- Housing production/growth inside and outside of Planning Areas and/or Priority Funding Areas.
- Housing variables that are published in the Decennial Census.
- Housing program participation and waiting lists for the units owned and managed by the County's Housing Authority units and the County's Rental Assistance Program.
- Infrastructure to support housing.

These sustainability indicators should be measured and evaluated over time to determine community impact with respect to meeting workforce housing needs as a factor affecting the overall sustainability of the County. The following diagram depicts the relationship between various indicators and influencing factors affecting the housing market.



Sustainability Indicators

Indicators are the tools used for community assessment and measurement of various aspects or factors of health, safety and welfare of our community. Indicators demonstrate the link from the past to the present and the present to the future.



Section 7.8 Goals, Objectives and Recommendations

This section identifies various goals, objectives and recommendations that support the development of strategies, programs and projects that will contribute to realizing the goal for workforce housing.

Goal: The *overarching goal* is to encourage an increased supply of workforce housing to sustain the economic vitality of Queen Anne's County.

Goal 1: Provide Affordable Workforce Housing Supply

Objective 1: Foster opportunities to create a supply of workforce housing affordable to appropriate income levels through various approaches, methods and programs.

Recommendations:

1. Collaborate with the municipalities and identify locations in planning areas in which to provide workforce housing.
2. Encourage and allow appropriate density increases and range of unit types to allow workforce housing to be an economically viable development option.
3. Encourage incorporation of workforce housing within developments.
4. Study potential means of improving the viability of the Moderately Priced Dwelling Unit (MPDU) program.

Objective 2: Continue to implement various approaches, methods and programs that promote workforce housing.

Recommendations:

1. Continue to allow accessory apartments in association with single-family lots, and commercial apartments.
2. Promote infill development and redevelopment activities and where appropriate encourage the replacement, installation, and/or upgrade of public infrastructure improvements such as roads, curbs, gutters, public water and sewer, and sidewalks.
3. Create partnerships between the County and Towns to identify new workforce housing opportunities.
4. Continue to implement the County's housing and homeownership assistance programs and expand funding and eligibility.
5. Encourage non-profit involvement in providing affordable housing.
6. Consider increased density as an incentive to provide affordable housing.



7.0 Workforce Housing

Page Intentionally Blank